



Legislative Department  
Seattle City Council  
Memorandum

**Date:** December 3, 2010

**To:** Councilmember Sally J. Clark, Chair  
Councilmember Tim Burgess, Vice Chair  
Councilmember Sally Bagshaw, Member  
Committee on the Built Environment (COBE)

**From:** Martha Lester and Rebecca Herzfeld, Council Central Staff

**Subject:** December 8, 2010 COBE Meeting: South Downtown Zoning Proposal

Status of the Proposed Ordinance

An updated version of the proposed ordinance for the South Downtown Land Use Code amendments was made available for public review and comment in early November. This version 11 clarified language, fixed inconsistencies, and resolved a variety of small issues. It also reflected two substantive decisions by Councilmember Clark:

- Amend regulations for development on the Qwest Stadium North Lot to allow the affordable housing to be built anywhere in South Downtown, rather than only within the North Lot development itself.
- Do not increase the height permitted on the WOSCA site, which is located west of 1<sup>st</sup> Avenue S. and north of S. Royal Brougham Way, across from Safeco Field.

A few additional changes are reflected in version 12, which was introduced on December 6 as Council Bill (C.B.) 117073 and referred to the Committee on the Built Environment. Table A below summarizes the draft schedule for adoption of the legislation.

**Table A: Draft Schedule for Council Review of South Downtown (SDT) Zoning Proposal**

Action	Date
COBE provides direction on issues	Thirteen meetings between March and November 2010, including a public hearing on June 2, and a walking tour of SDT neighborhoods on July 29
Second Council public hearing	November 22, 2010
Legislation introduced	December 6, 2010
COBE discussion of issues raised by the public	December 8, 2010
Further Committee discussion	January 12 and 26, and February 9, 2011
Possible COBE vote on LR legislation.	February 23, 2011
Possible full Council vote on LR legislation.	February 28 or March 7, 2011

## Substantive Issues for Consideration

Councilmembers have heard several issues raised by the public at the public hearing held on November 22, and via letters, e-mails, and meetings.

Several issues for COBE consideration and possible amendment of the legislation are described below. For these issues, we welcome direction from Councilmembers. We will then develop specific potential amendments to the C.B. for review by Councilmembers and possible vote at a later COBE meeting.

### **1. Companion work plan resolution**

A draft resolution that outlines additional work items to support South Downtown neighborhoods is attached for Committee review (Attachment A).

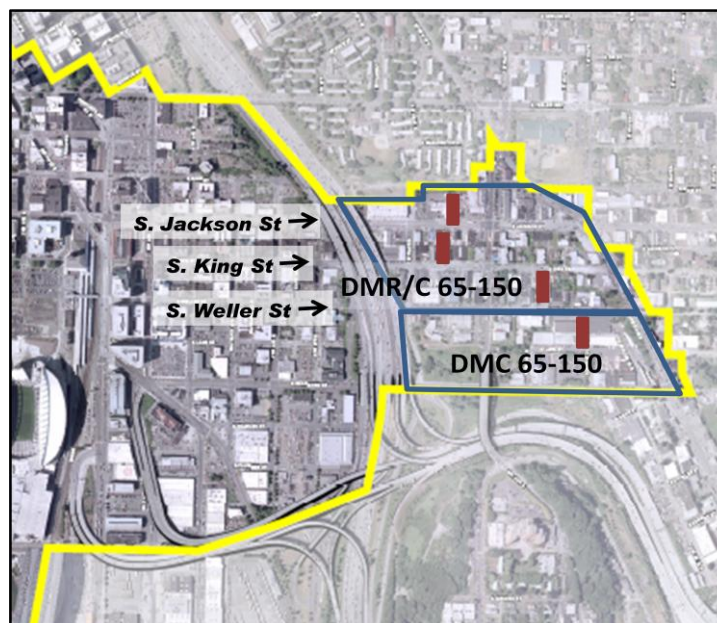
### **2. East of I-5, proposal to allow 150-foot height with mid-block corridor incentive**

The proposed zoning east of I-5, in Little Saigon and the Dearborn corridor, would allow a development to exceed 85 feet in height, up to a maximum of 150 feet, if:

- the lot size is at least 40,000 s.f.;
- all floor area above 65 or 85 feet (depending on the zone) is in residential use;
- the developer participates in the incentive zoning program; and
- the developer provides a mid-block corridor open space public amenity as part of participation in the incentive zoning program.

A mid-block corridor could be valuable in Little Saigon because many of the blocks are very long, and a mid-block corridor would constitute an additional pedestrian route in the neighborhood. A corridor could serve as an open space and pedestrian route for residents, other occupants of the development, and the public. Today, there are four locations in Little Saigon where land has been assembled into contiguous parcels of at least 40,000 square feet. (see map below).

#### **Parcels over 40,000 square feet in Little Saigon Neighborhood**



However, some people representing small business interests in Little Saigon have stated that buildings up to 150 feet in height would be too tall and out of scale with the neighborhood, and would result in retail rents too high for many small business owners to afford.

Concerns about scale and gentrification may be more pressing in the northern part of the area east of I-5, in and near the heart of the Little Saigon retail business district. They may be of less concern (or raise somewhat different issues) farther south, closer to the S. Dearborn Street corridor.

Options that Councilmembers may want to consider include:

- a. Retain the option for buildings up to a maximum height of 150 feet with a mid-block corridor as proposed by DPD.
- b. Allow buildings up to a maximum height of 150 feet with a mid-block corridor only south of S. King Street.
- c. Allow buildings up to a maximum height of 150 feet with a mid-block corridor only south of S. Weller Street.

### **3. Hours of public accessibility for a mid-block corridor**

Under DPD's proposal, a mid-block corridor that is built under the incentive zoning program would be required to be open to the public for a minimum of 10 hours per day.

Because a mid-block corridor would be on private property, and might be located between two towers of a residential development, the City could likely not require it to be open and accessible to the public 24/7.

However, Councilmembers may want to consider increasing the hours of public access, perhaps to a minimum of 16 hours per day, including daylight hours as much as possible.

### **4. Parking maximums east of I-5, in Little Saigon and the Dearborn corridor**

The areas of South Downtown located east of I-5 are *currently* zoned a mixture of NC3, C1, and IC. Under this existing zoning, there is no maximum amount of parking that can be built.

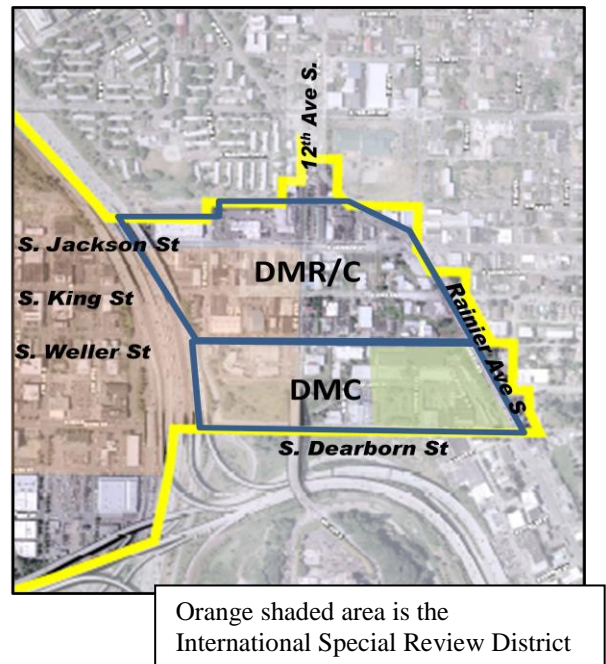
The *proposed* downtown zoning for these areas (DMR/C north of S. Weller Street, and DMC south of S. Weller Street) would impose a maximum amount of parking for non-residential uses of 1 parking space per 1,000 square feet (s.f.) of floor area.

Some property and business owners in these areas (including both Little Saigon and the Dearborn corridor) argue that the proposed parking maximum is not sufficient. Business representatives cite Little Saigon's role as a regional shopping destination. They note the importance of having adequate parking for shoppers from throughout the region for whom transit is not currently a viable alternative.

Farther south, parcels along S. Dearborn Street are more auto-oriented, with good access to Rainier Avenue S., I-5, and I-90. These areas are less well-served by public transit than are other areas of downtown. Goodwill Industries cites the need for more parking for the type of redevelopment that might occur on its property, particularly for retail uses.

Under DPD's proposal, which combines existing Land Use Code provisions with new amendments, several permit processes would be available for an applicant to potentially exceed 1 parking space per 1,000 square feet of non-residential floor area.

- A “special exception” to allow more than 1 parking space per 1,000 square feet of non-residential floor area could be available anywhere in this area. It would be decided by the DPD Director, subject to listed criteria. C.B. 117073 would add as a criterion “whether the area is located at the edge of the Downtown Urban Center where available short-term parking and transit service is limited.”
- In the International Special Review District (ISRD) (west of 12<sup>th</sup> and south of Jackson), a principal use parking garage (not subject to the maximum) could be allowed under existing code provisions subject to listed criteria and “special review” by the ISRD Board and the Director of the Department of Neighborhoods.
- Outside the ISRD, existing code provisions would allow a principal use parking garage (not subject to the maximum) for short-term parking as an “administrative conditional use,” subject to listed criteria.



Goodwill Industries and an adjacent property owner argue that the possible availability of these exceptions would come too late in the development process and not provide sufficient certainty to secure financing for projects, and would be subject to appeal and possible additional delay.

DPD staff reviewed the amount of parking that was provided in recent years for office and mixed-use developments at other sites outside but near downtown. Staff found that parking ranged between 1.4 and 2.2 spaces per 1,000 s.f. of floor area. When the Goodwill site was proposed to be redeveloped, the overall project was to include 1.65 spaces per 1,000 s.f., with the retail portion having about 2.0 spaces per 1,000 s.f.

Councilmembers may want to consider whether it would make sense to increase the parking maximum in some or all of the area east of I-5 for particular uses, such as (a) general sales and service uses (which is what retail uses are called in the Land Use Code), and (b) eating and drinking establishments. The Council could retain the maximum of 1 parking space per 1,000 s.f. of non-residential floor area for office use, thereby continuing to discourage long-term (more than four hours) parking by employees.

Note that if the parking maximum were increased for some uses, the three permit processes described above to provide additional parking would also continue to be available. The provisions that allow a principal use parking garage address the requests that some community members have voiced to allow a centralized community parking facility in the South Downtown neighborhoods.

## **5. Space for small commercial businesses**

Some members of the public have suggested that the Council consider a requirement that space for small, individual businesses be provided in new developments in South Downtown. This could be patterned on existing code provisions in Seattle Municipal Code (SMC) 23.78.008 for the Pike/Pine neighborhood on Capitol Hill.

For Pike/Pine, the existing code requires that in any new structure with more than 5,000 square feet of commercial uses at street level, one or more commercial spaces for individual businesses averaging 2,000 square feet or less in size must be provided. The number of such spaces that must be provided increases as the total amount of commercial space in a structure at street level increases. We could explore a similar provision that could apply in some portions of South Downtown.

## **6. Larger open spaces rather than numerous small open spaces**

Councilmembers have also heard interest in exploring different approaches to open space provided by new developments in South Downtown. In particular, some members of the public have suggested that it would be preferable to have individual developers contribute toward a larger, common open space in a given neighborhood in South Downtown, rather than have a series of smaller, parcel-by-parcel open spaces. We can work with other City staff to explore the opportunities and constraints on such an approach.

## **7. Incentive zoning parameters and economic analysis**

Councilmembers have received comments and heard testimony asking for additional review of the incentive zoning program and the economic analysis that accompanies it. Some comments have pointed out that the proposal does not provide enough incentive to stimulate development, given the current recession. However, if market factors, such as availability of financing, are not in place, zoning alone cannot “kick start” new construction projects. If the demand for new space is too low, and the rent levels that can be charged for new construction would not support the cost of building, allowing greater zoning capacity will not trigger new development. Instead, the proposed zoning is intended to encourage development in South Downtown when market conditions makes that possible.

COBE will discuss this issue further at a future committee meeting, including looking more closely at some facets of the incentive zoning program such as base and maximum height and FAR in several zones.

Attachment A: DRAFT Companion Work Plan Resolution

## **Attachment A: South Downtown Companion Work Plan Resolution**

*NOTE: This companion resolution is intended to accompany the proposed ordinance that would amend the Land Use Code for South Downtown, so it assumes passage of that ordinance.*

### **RESOLUTION \_\_\_\_\_**

A RESOLUTION declaring the City of Seattle's intent to promote and enhance the livability of South Downtown by implementing initiatives that complement changes to land use regulations.

WHEREAS, the neighborhoods of Seattle's South Downtown constitute the City's most historic and culturally identifiable communities; and

WHEREAS, in January, 2010, the City Council began its review of the Department of Planning and Development (DPD) recommendations for changes to land use regulations in South Downtown; and

WHEREAS, this effort, which DPD started in 2005, is intended to carry out many of the recommendations in the Pioneer Square Neighborhood Plan, the Chinatown/International District Neighborhood Plan, and the Greater Duwamish Manufacturing and Industrial Center Plan; and

WHEREAS, South Downtown is home to large and small businesses, high-end and subsidized housing, the region's busiest transportation hub, and attraction that draw visitors and shoppers from all of Puget Sound; and

WHEREAS, the proposed changes to zoning regulations have also been guided by Council Resolution 30759, which was adopted in 2005 and established guiding principles for decisions related to changes in land use plans, programs and regulations for Downtown, with the goal of achieving and maintaining Center City livability; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:**

Section 1. The Council has passed the ordinance introduced as Council Bill (C.B.) \_\_\_\_\_, which revises land use regulations in South Downtown in order to spur redevelopment and increase community vitality. While land use regulations can act as a catalyst for new development, and updated regulations are important to prepare for the next real estate development cycle, zoning alone cannot achieve livability, social equity, and neighborhood revitalization in South Downtown. Therefore, the City of Seattle declares its intent to promote and enhance the livability of South Downtown by working together with public, private, and

non-profit partners and community members to carry out initiatives that include, but are not limited to, the following:

**A. Economic Development:**

1. The Department of Planning and Development (DPD) and the Office of Economic Development (OED) will continue to support the community in carrying out the recommendations of the “Pioneer Square 2015 Report, a Strategy for Seattle’s First Neighborhood,” which was published in June 2010.

2. OED will continue to work with the community in the Chinatown/International District (ID) and Little Saigon to implement business attraction and retention strategies, and to provide technical assistance and financing capacity to local businesses to help them remain in these neighborhoods when redevelopment occurs.

3. OED will continue to support development of strong business organizations that represent small businesses and property owners in South Downtown, including providing business support and technical assistance to grow and retain small businesses in South Downtown.

4. DPD and the Seattle Department of Transportation (SDOT) will work together to develop proposed legislation for Council review that would provide greater flexibility for street food vending carts and the use of sidewalk space for store displays.

**B. Transportation:**

1. SDOT will continue to work on transportation projects in South Downtown to improve freight mobility (improvements to Spokane Street, Intelligent Transportation System Corridor implementation); maintain City streets (multiple repaving projects); and expand transportation options (construction of a streetcar to connect South Downtown to Capitol Hill).

2. SDOT has made the Chinatown/ID and Little Saigon a high priority for conducting a parking assessment by 2013, depending on City resources. Based on the assessment and community input, SDOT Community Parking Program staff will recommend improvements to promote business activity and the most efficient use of parking.

3. SDOT will work with community stakeholders on King Street Station Multimodal Transportation Hub Study, which will evaluate urban design and transportation systems within a six to eight blocks area around King Street Station. The study will lead to an Urban Design and Transportation Plan to integrate pedestrians, bicycles, inner-city rail, intra-city bus, commuter rail, general traffic, and freight. Final conceptual designs will be completed in 2011.

### **C. Public Safety and Perceptions of Public Safety**

1. SDOT and OED will work with the Downtown Metropolitan Improvement District and local Business Improvement Associations to assess ways to expand street and alley sweeping in Chinatown/ID and Little Saigon and to clean up litter and debris on sidewalks.

2. Upon availability of funding, and subject to an expression of support from each neighborhood, Seattle Public Utilities (SPU) will work to add Chinatown/ID and Little Saigon to the Clear Alleys Program, in which more frequent garbage pickup substitutes for dumpsters that provide cover for illegal activities and create the perception of an unsafe environment.

3. The Seattle Police Department will continue the collaborative policing model established between east and west police precincts, for policing of Little Saigon and Chinatown/ID.

### **D. Parks, Open Space, and the Pedestrian Experience**

1. To help meet the City's goals of increasing open space as South Downtown grows, the Department of Parks and Recreation (DPR) will continue to implement the 2008 Parks and Green Spaces Levy, which includes the expansion of Hing Hay Park in the Chinatown/ID, renovation of the playground at the Children's International Park, in the Chinatown/ID, and funding for park land acquisition in Little Saigon.

2. SDOT and the Office of Arts and Cultural Affairs (OACA) will work to streamline the process for permitting banners on light poles to make it easier to improve the streetscape with color and art.

3. Building on the green street concept plans already in place for Maynard Avenue South and South Lane Street, and depending on available resources, DPD and SDOT will give high priority to working with the community to prepare green street concept plans for South King and South Weller Streets in Little Saigon, in order to encourage future developments and right-of-way projects to make consistent streetscape improvements.

### **E. Planning and Development**

1. The Office of Housing (OH) will include the following information regarding the use of South Downtown housing bonuses and/or transfer of development rights to produce or preserve affordable housing in the report required every two years pursuant to Ordinance 122990:

a. Number of developers who used housing bonus incentives and chose the performance option, number of developers who used the housing bonus incentives and



chose the payment option, and number of developers who used transfer of development rights and/or potential;

b. Amount of bonus funds awarded through the Office of Housing Notice of Funding Availability (NOFA) process;

c. Number of housing units created or being created through the bonus performance option, the bonus payment option, and TDR programs, including the following information where applicable: the number of units affordable to households earning less than 80% and less than 50% of median income, tenure, unit location, and whether the units are new or are existing units in renovated buildings.

2. DPD will work with OH to submit proposed legislation to the City Council by the first quarter of 2012 to amend the Land Use Code to streamline incentive zoning terminology, clarify and consolidate incentive zoning requirements, and help make these requirements easier to understand and use.

3. DPD will report back to the Council by first quarter of 2015 on projects in South Downtown that created or preserved public amenities other than affordable housing through the use of bonuses and/or transfer of development rights or potential established in the ordinance introduced as C.B. \_\_\_\_\_.

4. DPD will report back to Council by the second quarter of 2015 as to the amount of market rate housing and commercial floor area within projects permitted since the passage of CB \_\_\_\_\_. The information shall include the amount of floor area by type of commercial use, including office, retail, hotel, and other appropriate categories of commercial uses, and the size of commercial spaces, particularly spaces provided at street level, if sufficient detail about building tenants is available.

5. In cooperation with other City departments and public agencies, DPD will coordinate planning efforts in the areas adjacent to South Downtown, including the redevelopment of Yesler Terrace and planning for the Central Waterfront, to further implement the goals of South Downtown neighborhoods.

6. The City will continue to advocate at the State level for local authority and fiscal flexibility that would facilitate investments in infrastructure development and affordability of housing and commercial space in growth areas.

Section 2. The Council intends to ask the Executive for a report on the status of the projects presented in this resolution and any related South Downtown initiatives as part of the information that is submitted for Council's review of the 2013-2014 budget.

Adopted by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2011, and signed by me in open session in authentication of its adoption this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

THE MAYOR CONCURRING:

\_\_\_\_\_  
Michael McGinn, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
City Clerk

(Seal)